Re: Important Security Message for your VTech Learning Lodge Account

Dear Valued Customer,

On November 24 HKT we discovered that an unauthorized party accessed VTech customer data on our Learning Lodge app store customer database on November 14 HKT. Our records show that you are a customer of the Learning Lodge.

Our customer database contains general user profile information including name, email address, encrypted password, secret question and answer for password retrieval, IP address, mailing address and download history.

It is important to note that our customer database <u>does not</u> contain any credit card or banking information. VTech does not process or store any customer credit card data on the Learning Lodge website. To complete the payment or check-out process of any downloads made on the Learning Lodge website, our customers are directed to a secure, third party payment gateway.

In addition, our customer database <u>does not</u> contain any personal identification data (such as ID card numbers, Social Security numbers or driving license numbers).

Upon discovering the unauthorized access we immediately conducted a thorough investigation, which involved a comprehensive check of the affected site and implementation of measures to defend against any further attacks. Our investigation continues as we look at additional ways to strengthen our Learning Lodge database security.

We will contact you again with appropriate further updates. Additionally, updates will also be posted on our website at http://www.vtech.com/en/media/press-releases.

In the meantime should you have any questions you can email us at vtechkids@vtechkids.com .

Yours sincerely,

King F. Pang Group President VTech Holdings Limited